

## **Draft**

### **Income Maintenance Advisory Committee Public Assistance Program Integrity/Fraud Prevention Ad Hoc Subcommittee Minutes for Thursday, December 11<sup>th</sup>, 2003**

Members Present: Co-Chair Rick Zynda (DHFS/BIMA); Co-Chair Mike Poma (Milwaukee County); Mary Mireles (Racine County); Gloria Guitan (Milwaukee County); Nancy Foss (DHFS/BHCE); Sandy Leonhard (Interstate Reporting); Pam Kiern (DHFS/BHCE); Gene Kucharski (WAPAF/Portage County); Fay Simonini (DWD/PACU); Barry Chase (DHFS/BIMA); Charles Billings (DHFS/BIMA); Richard Basiliere (Outagamie County); Richard Eddings (Dane County).

Members by Conference Phone: Jim Borgeson (Douglas County); Cori McFarlane (Northeastern Regional Office)

#### **Review of minutes from November meeting**

There were no comments or corrections, and the minutes were approved. The meeting minutes will be published on the website.

#### **Benefit Recovery Administrators Memo**

Rick reported that the memo is at the review stage at both DHFS and DWD. It is anticipated that the memo will be ready for publishing sometime in January of 2004. Although there are some changes still needed, most are minor wording changes. Rick posed the question about the distinction of Client Error and Non-Client Error claims. For the purposes of the memo, Rick utilized the language in the Food Stamp Handbook with some minor changes. It was suggested that the use of more general language to define these error types be used to encompass all programs. Currently, policy analysts are reviewing the language, and it was further suggested that other material such as the Benefit Recovery Accounting Manual be looked at to determine if there is existing language that can be utilized. If more general language is used for the definitions, it was suggested that additional language be added to the memo that refers the reader back to each specific program manual.

#### **Claims Establishment**

Rick gave updates from recently provided data on Food stamp and Medical Assistance claims. Both programs show an increase in claims establishment.

#### **Collections**

Fay gave an update on ongoing collections projects. She reported that the PACU is working on a project to get Social Security Numbers verified so that claims can be collected via tax intercept. Over \$1 Million in claims have been changed and/or verified for collection since the start of the project in June. Additionally, Fay reported that Food Stamp claims will be sent to both the Department of Revenue and the Treasury Offset Program at the same time for the upcoming tax season. In the past, there were dollar limitations imposed in the system to prevent dual collections.

#### **Legislative Audit Bureau Meeting**

Rich Basiliere, Gene Kucharski, and Rick Zynda attended a meeting with the Legislative Audit Bureau (LAB) to discuss the administration of program integrity functions.

Numerous issues were discussed including:

- Using only overpayment collections as a measure of success for the Fraud Program – does not include savings due to prevention activities and the deterrent factors of a visible program.
- Need for the Fraud Program to be legitimized as necessary function and given priority.
- Use of GPR instead of program revenue to fund program integrity functions, as is the case in other states contacted – particularly in order to place a priority on prevention, which does not generate program revenue.

Rich stated that the LAB wanted assistance in gathering additional documentation to be used to strengthen the report they are writing, which will be submitted to the Legislature early next year. They will send further details about data needed.

### **Other State Structures for Fraud Programs**

Rich and Gene have been researching how other states administer their respective Fraud Programs. States that were contacted include Ohio, Illinois, Indiana, and Minnesota. They reported that successful programs seem to incorporate the following:

- Designated staff (state and/or local) for the Fraud functionality
- Budget that is not dependent on Program Revenue
- Specific Training Programs

Rich specifically spoke about how Minnesota was structured and funded. The committee suggested a spreadsheet matrix be created to show a comparison between states and how they are funded and structured at a high level. It was agreed that this would be beneficial to understanding similarities and differences in programs. Rich and Fay will work on developing a chart for the next meeting.

There was additional discussion about whether or not Wisconsin's current fraud and integrity policies reflect practice accurately. Although no agreement was reached, the committee did agree that policy should reflect practice and that the issue should be revisited for discussion.

### **Security Access**

The committee discussed the problems associated with not having sufficient access to CARES data to investigate a case properly. The committee agreed that the policy of "need-to-know" needs to be revisited, and suggest that, since the issue has been resolved in other programs, a solution can be reached that will work for Program Integrity staff as well. Specific action items were not assigned.

### **Next Meeting**

The next meeting is scheduled for Thursday, January 8 from 9:30 am – 12:30 p.m. at the State Department of Agriculture Building.

Rick asked that the committee members review the items on the "to-do" list and prioritize items for the next meeting.